

CHAPTER V. TRAIL FUNDING

Adequate funding is a critical trails-related challenge that affects many of the other issues addressed in this plan. This section overviews funding sources for trail projects at the federal, state, local, and private level, including requirements, restrictions, and limitations. A more detailed discussion of many of these funding sources is available in *A Guide to Grants for Community Planning and Development Projects in Montana: Resources for City and County Governments* (1995), by the Montana Department of Commerce. Additionally, the FWP *Trails Programmatic Environmental Impact Statement* (2000) provides a detailed analysis of two important state trails grant programs.

Federal Trail Managing Agencies

Since the federal trail managing agencies manage approximately 99 percent of the public trail miles in Montana, their ability to secure funding for trail projects is critical to the overall health of the system. As summarized below, federal agencies rely on their own trail-related funding, as well as outside sources and volunteer labor.

United States Forest Service

The forests utilize Forest Service funding, grants through various state-administered programs, donations, and volunteer/in-kind services. Also, some forests are pursuing new sources of funding (e.g., user fee dollars generated through the new federal Fee Demonstration Program, which can include trailhead fees).

Current trends indicate that the Forest Service has reduced its funding for construction and maintenance of trails in Montana since 1995. Forest Service estimates show that maintenance funding decreased approximately 20 percent from

fiscal year (FY) 1995 to FY 1997; according to the Forest Service, construction funds have also decreased by approximately 40 percentage during the same period. Decreasing federal funding is an important factor preventing forests from reaching their trail-related goals.

National Park Service

Funding comes primarily from the National Park Service operating budget and special funding sources. However, many parks are increasing their use of outside funding, including money available from cooperating partners. Significant funding has become available to national parks through the Fee Demonstration Program, authorized through 2002. The Program allows a portion of the gate revenue in participating sites to be utilized for projects within the park, including trail maintenance and construction.

Bureau of Land Management

Federally appropriated funds as well as grants and private contributions are utilized for funding. The BLM will also likely increase reliance on user fees for various facilities and activities. A high percentage of BLM trails are informal, nonsystem, unmaintained routes.

Federal Funding Sources Available to Trail and Transportation Management Agencies

Federal programs constitute the largest source of funds for trails in Montana, both in terms of grant programs created specifically for recreational trails, and grant programs with related goals,





such as reducing pollution, preserving open space, and protecting natural resources.

Transportation Equity Act for the 21st Century (TEA-21)

Federal trails-related funding received a major boost with the passage of the Intermodal Surface Transportation and Efficiency Act (ISTEA) in 1991. Many hundreds of miles of trails were completed with funding made available through this historic piece of legislation, which represented a fundamental shift in the kinds of projects federal transportation dollars could be used for.

A number of the same trails-related programs were included in the new federal transportation legislation, which was passed in 1998. Similar to the old ISTEA legislation, the Transportation Equity Act for the Twenty-first Century (TEA-21) includes, among other components, the Surface Transportation Program (STP), National Recreational Trails Program (RTP), Congestion Mitigation and Air Quality Improvement Program (CMAQ), National Highway System and Federal Lands Highway Funds. All of these can be used to fund trails. More details are included below:

- The Surface Transportation Program includes a mandatory, ten percent set-aside for projects which fund federal, state, and local transportation improvements. The Montana Department of Transportation (MDT) administers the enhancement program called the Community Transportation Enhancement Program (CTEP), with selection of projects occurring at the local level. Among other things, CTEP funds trail-related projects including bicycle and pedestrian facilities, rail-trails, and the acquisition of scenic, historic, and natural easements and land. Local governments must match the federal money on a 13/87 basis.
- The Recreational Trails Program supplies federal trail dollars that are administered by FWP in Montana, and will be discussed in more detail later in the state funding section. When the original version of this was passed as a component of ISTEA, it was often

- referred to as the "Symms Act" in reference to Senator Symms, one of its sponsors.
- The Congestion Mitigation and Air Quality Improvement Program (CMAQ) can be used for trail projects that promote alternative transportation projects with air quality benefits. Administered at the state level by the Montana Department of Transportation, this program is limited to "nonattainment" areas that failed to meet federal air quality standards for ozone, carbon monoxide, and particulate matter, as well as areas considered at high risk for becoming non-attainment areas. Projects eligible for funds include rail/trail and bicycle trails.
- National Highway System and Federal Lands Highway Funds are primarily for construction and maintenance of highways. Alternative transportation, such as bicycle paths can be funded, but such projects are generally limited to improvements along the designated National Highway System or on federal lands. Projects must clearly demonstrate they provide a viable alternative to automobile commuting.

Land and Water Conservation Fund (LWCF)

The Land and Water Conservation Fund (LWCF) is a key federal funding program managed by the National Park Service, a component of which allows states to assist their political subdivisions by providing grants for the acquisition and development of public outdoor recreation projects, including trails. Another component of LWCF provides funding to federal agencies for resource conservation projects such as land purchases.

Since its inception in 1965, LWCF has provided over \$3 billion nationwide to states for outdoor recreation projects, with Montana receiving approximately \$31 million. Between 1995 and 1999, no funding was available in Montana for the LWCF local recreational grant program. At this writing (June, 2000), Congress is considering a bill—the Conservation and Reinvestment Act



of 2000 (CARA)—which would permanently fund LWCF at a higher level than previously; more details on this proposal are included in the potential future funding sources section of this chapter.

Rivers and Trails Conservation Assistance Program

Another component of the National Park Service, this program offers planning and organizational assistance for local community projects promoting nature-based recreation and environmental, historical, and cultural conservation projects.

The Program has had a long involvement in trails projects.

Resource Conservation and Development Funds

A program managed by the federal Natural Resources and Conservation Service, this fund is designed to encourage state and local governments and non-profit organizations to improve resource conservation by providing 50 percent matching funds for recreation, including parks and land acquisition.

Other Federal Programs

A number of federal grants targeted at urban redevelopment, economic development, community non-profit groups, and other purposes can be used for trails. Some of these include Community Development Block Grants, the Entitlement Program, and the Small Cities Program. Entitlement Program Funds, in particular, are restricted to communities with a population of 50,000 or greater, and are earmarked for projects with economic, historic, and/or cultural merit. This program is administered by the Department of Housing and Urban Development and requires some matching of funds.

State Trails Grant Programs Managed by FWP

The Parks Division of FWP administers three trail grant programs: the federally funded Recreational Trails Program (RTP), and the state funded Off-Highway Vehicle (OHV) and Snowmobile Grant Programs. Snowmobile trails in general and the Snowmobile Grant Program in particular was addressed in a programmatic environmental impact statement completed in 1993, and are not covered in this document.

Regardless of whether an FWP funded trails project is on federal, state, or private lands, it must comply with the Montana Environmental Policy Act (MEPA). On federal lands, trails must also comply with USFS Travel Plans, BLM Unit Plans, and the National Environmental Policy Act (NEPA).

Recreational Trails Program (RTP)

The funding for RTP comes from the Federal Highway Administration (FHWA), but the program is typically managed at the state level by natural resource agencies, including FWP in Montana. The Program receives a share of the Federal Highway Trust Fund based on an estimate of motorized, non-highway recreational fuel consumption.

According to federal guidelines, at least 30 percent of the RTP funds must be allocated to motorized recreation, 30 percent to non-motorized recreation, and the remaining 40 percent is discretionary for diversified/mixed trails use. The Recreational Trails Program allows a maximum of 7 percent of a state's appropriation to be used for administration.

Reenacted in 1998 as a component of the new federal transportation legislation (TEA-21), this





program has provided a growing source of trails funding throughout the country. The amount available for Montana trail projects, for example, has increased from \$193,000 in 1997, to \$364,000 in 1998, \$486,000 in 1999, to an estimated \$643,300 annually in fiscal years 2000-2003.

The TEA 21 program requires an 80/20 cost share, unless a federal agency sponsors the project. In those cases, the federal agency can contribute 15 percent of the cost, requiring the applicant to come up with the remaining 5 percent of the match. The Recreational Trails Program is a reimbursable program; that is, sponsors are reimbursed with federal dollars after costs are incurred.

FWP can grant funds to federal, state, county, tribal, or municipal governments, as well as to private individuals and organizations. FWP has developed an application process with a priority ranking system to screen project applications (more details on the process are included in the Trails Program PEIS). Under federal regulations, the funds may be used for trail development, renovation, maintenance, acquisition, safety, and interpretation. States are encouraged to give priority consideration to environmental mitigation projects.

States qualifying for funding are required to have a State Trails Advisory Committee (STAC). Montana's committee is composed of eight members (plus alternates) representing hiking, snowmobiling, cross-country skiing, horseback riding, ATV riding, traditional and mountain bicycling, four-wheel (4WD) driving, and off-road motorcycling, as well as advisors representing the FWP, USFS, BLM, the Department of Transportation, and the Montana Wildlife Federation. The Advisory Committee makes recommendations on which projects to fund to FWP, which must approve the projects before they are submitted to the FHWA for final authorization.

Projects are evaluated and prioritized by the Advisory Committee based on the following criteria:

- Provides for a number of compatible recreational purposes, and unique or innovative corridor-sharing techniques.
- Provides linkages among existing trails systems, greenways, scenic byways, or other natural, cultural, historical, or recreational areas.
- Meets a clear and documented user demand.
- Provides trails near homes and workplaces.
- Has low maintenance requirements, or maintenance that will be provided by the applicant.
- Utilizes volunteer assistance or non-traditional labor.
- Provides for a wide range of abilities.
- Creates partnerships among trail users, private interests within the area, and public agencies.
- Furthers the goals of the State Trails Plan and/or other relevant plans.
- Has no other public funding available.
- Provides an opportunity that will be lost if not immediately funded.
- Provides new, unique, or more effective means for making trail opportunities available to the public.
- Addresses the access and use of trails by persons with disabilities, senior citizens, and other challenged populations or groups with disabilities.
- Incorporates cultural/natural resource interpretation and trail safety education in projects.





• Completes projects where NRTFA funds were invested earlier.

Allowable uses of RTP funds include the following:

- Expenses incurred by the state to administer the program (no more than 7 percent of the state's allocation).
- Operation of state environmental protection and safety education programs relating to recreational use of trails (no more than 5 percent of state's allocation).
- Development of urban trail linkages near homes and work places.
- Construction and maintenance of trails on state, county, tribal, municipal, or private lands.
- Maintenance of trails on federal lands.
- Maintenance of existing recreational trails, including grooming and maintenance of trails across snow. States may allow purchases of snow grooming and mowing equipment.
- Restoration of areas damaged by trails and backcountry terrain use.
- Development of trailside and trailhead facilities (benches, restrooms, etc.).
- Provision of features that facilitate the access and use of trails by persons with disabilities.
- Acquisition of easements.
- Acquisition of property from a willing seller when the objective of a trail cannot be accomplished by other means.
- Where necessary and required by the State Comprehensive Outdoor Recreation Plan (SCORP)—and only when approved by the primary administering agency—the construction of new trails crossing federal lands.

Uses not permitted with RTP funds are as follows:

- Land acquisition by condemnation.
- Construction of new motorized trails on either USFS or BLM lands that have been designated as Wilderness Areas.
- Upgrading, expanding, or facilitating motorized use on trails that are predominantly non-motorized.

The Montana Off-Highway-Vehicle (OHV) Program

The FWP Parks Division also administers a grant program for the development, renovation, and maintenance of OHV trails and riding areas. The program supplies grants to maintain and renovate existing OHV trails and facilities, and to create safety and educational programs. The OHV Program is funded by OHV decal and registration fees, as well as a portion of the state gasoline dealers' license tax, based on the number of registered off-road vehicles.

Montana statute requires that all OHV's used on public lands for recreation must display an OHV decal. The OHV decal is \$5.00, with 40 percent of the proceeds used for enforcement, and 60 percent to develop and implement a comprehensive program and to plan for appropriate OHV recreation use. In addition to the decal fees, oneeighth of one percent of the distributor's gasoline tax is earmarked for the OHV program. The program devotes 10 percent of the money to promote OHV safety, up to 10 percent to repair areas that are damaged by OHV use, and the remaining funds to develop and maintain free public facilities. In the late 1990s, the total program budget was approximately \$160,000; more details on funding are included in the Trails Program PEIS.

The program is oriented toward projects that provide renovation or improvement to existing OHV trail or trail systems. Applications for OHV Program funding need to discuss the





following elements: 1) trails renovation; 2) soil stabilization measures to prevent or diminish erosion and provide a safe riding experience; 3) trail layout; 4) trail signing to provide users trail route information, natural resource or historic interpretation, and information about ethical conduct; 5) measures to reduce or eliminate resource impacts; 6) multiple-use benefits; and 7) noxious weed control.

OHV Program grants may be approved for the following project variables:

- 1. **Trail Maintenance & Renovation:** This may include brushing, grading, surfacing, bridges, retention walls, stiles, drainage structures (culverts, tiles, water bars, etc.), parking lots and grading, unloading platforms, latrines, trail-head kiosks, rerouting, noxious weed control.
- Equipment: No small tools will be approved for purchase with OHV funds.
 However, equipment commonly used for trail maintenance may be purchased with OHV funds. Leasing is preferred for larger pieces of equipment.
- 3. **Signs:** This includes trailhead signs, reassurance blazes, cautionary and regulatory signs, general information signs, interpretive signs, etc.
- 4. Labor and Administrative Costs: Labor costs may only be reimbursed if that labor is accomplished by 1) governmental staff (only at existing salary rates), or 2) a private contractor. Administrative costs are not reimbursable. FWP prefers to invest limited OHV funds in on-site improvement and recommends that labor be accomplished through volunteers.
- 5. **Trail Mapping:** Mapping of trails using GPS or other technology can be funded as long as the appropriate trail managing agency has approved the work.
- Special Studies: Special studies can be funded that provide information for OHV program planning and management.

Grants are for the full value of the project, as recommended by an OHV review and selection committee, and approved by FWP staff. However, FWP strongly recommends an investment by the project sponsor or cooperators such as cash, volunteer labor, and/or donated materials. Grants are provided to successful applicants (project sponsors) on an annual basis. A project sponsor may be an OHV club, OHV association, a chamber of commerce, or governmental agency working in conjunction with an OHV club.

The Montana Snowmobile Grant Program

The Snowmobile Grant Program is managed by FWP, and helps provide and maintain facilities on Forest Service, BLM, state, county, and private land. Over 25 snowmobile clubs across Montana groom and maintain trail systems totaling in excess of 3,200 miles using state-owned and funded equipment. As mentioned previously, snowmobiling and the Snowmobile Grant Program were covered in detail in a 1993 programmatic environmental impact statement, and will not be addressed in this plan.

Other State Trail Funding Sources Montana Footpath and Bicycle Trail Act of 1975

Administered by the Montana Department of Transportation (MDT), this act allows the Montana Transportation Commission to spend an average of \$200,000 annually for non-motorized foot and bicycle trails in areas with a demonstrated need for alternative transportation. No specific funding source was provided as part of the Act to support these activities.





State General Funds

General funds from the state budget can be used for trail implementation. This source would require strong statewide public interest and political support.

Tourism Infrastructure Investment Program (TIIP)

The Tourism Investment Program (TIIP), administered by Travel Montana at the State Department of Commerce, funds tourism-related infrastructure that could conceivably include urban trails related to visitor attractions.

The University System

The University System can promote trails in a number of ways, including granting easements on university land; providing technical, planning, design, and construction assistance; and other collaborative efforts.

Private/Non-Profit Funding Sources

Private sources of trails funds include non-profit organizations either directly or indirectly associated with trails, as well as corporate and business sponsors. A few of the larger national and state sources are discussed here, but a much larger number of potential private funding sources exist.

- American Conservation Association: Helps finance conservation programs, including greenway and open space projects by non-profit organizations.
- A Territory Resource: Provides grants for projects with high levels of citizen involvement that are environmentally sound, including open space, transportation, and riparian preservation planning. Non-profit organizations must be the lead group.

- **Nature Conservancy:** Provides financial assistance to preserve significant natural areas from development.
- Rails-to-Trails Conservancy: Offers
 technical assistance on a wide range of topics
 related to conversion of abandoned railways
 to trails and the sharing of active rail lines
 with trails.
- Liz Clairborne-Art Ortenberg Foundation: Dedicated to the conservation of nature, especially mitigating conflict over land and natural resources in rural communities, and the conservation of biological diversity. The foundation is particularly involved in promoting conservation in Montana. Non-profit organizations are eligible for funding programs including conservation planning, greenway projects, open space planning, and water/riparian preservation.
- W.K. Kellogg Foundation: The W.K. Kellogg Foundation has donated over \$25 million to its Rural Development Program. Non-profit organizations, and local governments to a lesser degree, are eligible for grants to preserve farmland and open space.
- Harder Foundation: The Harder Foundation has shown interest in helping preserve
 Montana's natural environment, including
 wetlands and grizzly bear habitat preservation.
- Jessie Smith Noyes Foundation: The Jessie Noyes Foundation funds projects that promote environmentally sound approaches to development, sustainable agriculture, and protect groundwater. Non-profit organizations are eligible, with local projects that preserve farmland and water/riparian areas.
- Land Trusts: A number of statewide and local land trusts that promote the preservation of open space and natural areas will also participate in creating and preserving trails and trail access. Montana is one of the leading states in the Nation in number of acres in conservation easements.





- Continental Divide Trail Alliance: This group monitors and supports the Continental Divide National Scenic Trail, which follows the Rocky Mountains from Canada to Mexico.
- The Public Lands Access Association: The Public Lands Access Association (PLAA) is a Montana non-profit organization involved in access to public land issues, especially in restoring historic accesses. The PLAA has been instrumental in re-opening a number of historic accesses throughout the state, sometimes resorting to legal means. The PLAA is also a resource for researching historical trails and access to public land.

Local Trails Funding

Funding for local trail systems generally comes from city and county general funds, federal sources including CTEP funds, private donations and grants, state DNRC grants, and major business donations Helena and Missoula have passed initiatives to acquire land for open space and trails. Local land trusts and other special interest groups, other trail managing agencies, as well as local service clubs and interested individuals, often donate money, time, and material. Many local trail agencies have enacted an "Adopt-a-Trail" program. In the thirty year period between 1965 and 1995, one of the most important mechanisms for funding local recreation projects such as trails were federal LWCF dollars, which funded hundreds of outdoor recreation improvements throughout Montana (see below).

Potential Future Funding Sources

The single most important potential funding source for trail projects in Montana is the permanent funding of the federal Land and Water Conservation Fund (LWCF) through the Conservation and Reinvestment Act (CARA). In November 1999, the House of Representative's Resource Committee approved CARA by a 37-12 vote. As of April 2000, a vote in the full House had not yet occurred.

CARA has the potential to do for natural and recreation resources in the twenty-first century what the Federal Aid in Wildlife and Sport Fish Restoration acts of 1937 and 1950 began in the last. CARA, as H.R. 701 has become known, is landmark legislation that will provide on-going wildlife, land, and parks conservation with the largest infusion of federal funds in history. Over the next 15 years, most of the funds would go to various state and local conservation programs, including state-level wildlife conservation and local level parks and recreation developments.

Montana could see an infusion of more than \$5.8 million annually to help conserve many of the state's dwindling wildlife species and habitats. An additional \$4 million or more would come to Montana every year to help fund state and local LWCF projects such as developing new trails, restoring historic parks, constructing local recreational facilities, and purchasing open space. The legislation also includes financial incentives to private landowners for maintaining threatened species and for conservation easements.

CARA's concepts have been supported by more than 3000 groups and organizations, including the National Governors Association, the Western Governors Association—including Montana Governor Marc Racicot—the National Association of Counties, and the Montana League of Cities and Towns.

In addition to CARA—and as discussed elsewhere in this chapter—the Federal Fee Demonstration Program has the potential to play an increasingly important role in trail funding. Whether the Program becomes a permanent, long-term funding component remains to be seen; many public land users are opposed to paying additional fees to utilize public lands, yet the Program appears to have substantial political momentum and support.



Attitudes About Funding

A portion of the *Montana Trail Users Study* addressed attitudes towards funding among both trail users and non-users (ITRR 1994b). Not surprisingly, trail users showed a greater positive response toward a variety of potential funding sources than non-users (see Figure V-1). However, most of the potential funding options identified in the survey lacked strong support from both users and non-users.

Although trail user fees and other funding methods that focus more directly on the users themselves were relatively unpopular among trail users in Montana. Preliminary results from the (user) Fee Demonstration Pilot Program enacted at 48 Forest Service and 98 BLM recreation sites throughout the country, show higher levels of support for user fees (Chavez 1999). Over 55

percent of those filling out comment cards at the fee areas that included trail heads, wildlife viewing areas, and camping sites, supported user fees to help pay for visitor services on public land, while 26 percent did not support such fees. A 1998 study of the NPS's Fee Demonstration Program (including Glacier and Yellowstone) showed a strong favorable response to higher fees when the money went to improvement of facilities within the park.

Earlier studies have also shown willingness to pay user fees, especially if the money generated went directly to the trail managing agencies for spending on trails (Johnson 1991). Attitudes toward alternative funding sources in Montana may change as people become more aware of the declining funding available to the USFS other trail managing agencies, and begin to experience increasing levels of crowding and conflict on trails.

Figure V-1: Attitudes Toward Funding





